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Foreign CROPS AND MARKETS

VOLUME 61 NUMBER 26

OLIVE OIL (Page 649)

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UNITED STATES DEPARTMENT OF AGRICULTURE
OFFICE OF FOREIGN AGRICULTURAL RELATIONS
WASHINGTON 25, D.C.

LATE NEWS

Panama has lost between 100,000 to 150,000 chickens during the last 3 months in an epidemic believed to have been caused by both Newcastle Disease and Fowl Cholera. The infection has spread rapidly since nearly all poultry in Panama roam without restraint in search of food.

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The Government of the Union of South Africa recently appointed a commission to investigate the needs of South Africa's cotton mill industry, causes of the current shortage of cotton and possibilities for expansion of local cotton production. Special attention is to be given to a study of relationship between prices of domestic and foreign cotton with a view to stabilizing prices at a level that will stimulate desired expansion of the local crop as rapidly as possible. The 1949-50 crop of 5,000 bales was the largest on record but amounted to only one-third of the goal, partly as a result of heavy insect damage.

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(Continued on Page 666)

FOREIGN CROPS AND MARKETS

Published weekly to inform producers, processors, distributors and consumers of farm products of current developments abroad in the crop and livestock industries, foreign trends in prices and consumption of farm products, and world agricultural trade. Circulation of this periodical is free to those needing the information it contains in farming, business and professional operations. Issued by the Office of Foreign Agricultural Relations of the U.S. Department of Agriculture, Washington 25, D.C.

MEDITERRANEAN BASIN OLIVE OIL PRODUCTION BELOW NORMAL

Olive oil production during the 1950-51 season in the principal olive-producing areas of the Mediterranean Basin is estimated at 700,000 short tons, on the basis of preliminary information available to the Office of Foreign Agricultural Relations. This is almost 40 percent less than last season's abundant outturn of 1,143,000 tons and about 20 percent less than the 1940-41/1944-45 average of 868,000 tons. These estimates represent the total oil pressed and allowances have been made for consumption by growers in countries reporting only commercial production. Over 70 percent of the total Mediterranean olive oil is normally produced in Spain, Italy and Greece.

The sharp reductions reported for most countries reflect the normal low yield of an "off year" olive crop and unfavorable weather (principally drought conditions) in many areas with Dacus fly infestation reportedly severe in some areas.

The current short crop will be alleviated by a sizeable carry-over, particularly in Greece, Italy, Portugal, and Turkey. Nevertheless, a reduction of some 440,000 tons from last year for the Mediterranean Area will mean a tighter supply situation and a reduction in exports.

Olive oil prices, which followed a downward trend until the outbreak of the Korean conflict, moved upward thereafter, fluctuating with changing world conditions. With prospects of a low output becoming more evident and with the uncertainties of marketing prospects, prices have maintained a high level.

France's 1950-51 olive oil production is estimated at 7,000 tons or about one-third less than last season. According to Government authorities, insect damage reduced the olive crop by 30 percent.

Production in Greece is not expected to exceed 60,000 tons, the second lowest volume in 20 years and less than one-fourth last season's record outturn, recently revised to 247,600 tons. The sharp decrease in 1950 production is attributed to extreme drought, unusually heavy bearing last year which caused a sharper alternate year decline than usual, and severe Dacus fly attacks in some areas.

In Italy current production is estimated at 165,000 tons or 75 percent of last season's 220,000 tonage. Intense summer heat and insect damage reduced the olive crop, but the quality of this year's oil is expected to be very good.

Official sources place Portugal's outturn at about 40,000 tons, less than half the 1949-50 production of 108,600 tons

OLIVE OIL 1/: Estimated production in the Mediterranean Basin, average 1940-41/1944-45, annual 1946-47 to 1950-51

Country	Average 1940-41/ 1944-45	1946-47	1947-48	1948-49	1949-50 2/	1950-51 2/
	Short tons	Short tons	Short tons	Short tons	Short tons	Short tons
Europe						
France	6,700	8,500	5,500	4,000	10,500	7,000
Greece	90,600	91,500	159,800	51,500	247,600	59,500
Italy	210,000	165,000	300,000	132,000	220,000	165,000
Portugal	63,900	49,200	102,900	31,900	108,600	40,000
Spain	351,300	428,000	578,700	156,900	316,000	275,000
Yugoslavia	2,900	5,300	4,000	2,500	-	-
Middle East						
Palestine	7,500	1,600	3,300	3,000	2,000	-
Syria	12,800	8,800	17,600	14,000	16,500	5,500
Lebanon		1,300	10,000	8,800	7,700	800
Turkey	42,400	35,300	52,900	33,100	55,000	58,000
Africa						
Algeria	27,000	20,000	22,000	25,000	25,000	20,000
French Morocco	12,200	19,800	20,000	11,500	16,500	13,000
Tunisia	38,400	20,900	19,800	46,300	105,800	46,000
Libya	2,500	800	1,000	1,700	8,000	8,000
Total	868,200	856,000	1,297,500	522,200	1,143,200	700,000

1/ Total oil pressed; excludes oil extracted from residue. 2/ Preliminary.

Turkey's olive crop is expected to yield around 58,000 tons of oil, approximately the same as last year. Olive trees which were badly damaged by frost in 1942 are reported to have recovered completely. It is believed that olive oil production will reach 80,000 tons within a few years because a large number of wild olive trees have been brought into production by grafting and because olive groves are being better maintained.

Olive oil production in Algeria is unofficially estimated at 20,000, about 20 percent less than last season's outturn and the 1940-41/1944-45 average.

Total production in French Morocco, including estimated consumption by growers, is expected to be about 13,000 tons compared with 16,000 last year and 12,000 on the average during the early 1940's.

Tunisian production is expected to be approximately 46,000 tons, less than 50 percent of the volume obtained last season but considerably higher than average output. The decrease from 1949-50 is attributed to unfavorable weather and to insect damage.

This is one of a series of regularly scheduled reports on world agricultural production approved by the Office of Foreign Agricultural Relations Committee on Foreign Crop and Livestock Statistics. It is based in part upon U. S. Foreign Service reports.

COMMODITY DEVELOPMENTS

FATS AND OILS

PORTUGAL'S OLIVE OIL PRODUCTION DOWN

Portugal's 1950-51 olive oil production is officially estimated at 40,000 short tons compared with last season's second largest recorded outturn of 108,600 tons, report J.B. Richards and D.E. Santo, American Embassy, Lisbon. The National Olive Oil Board, however, is confident that production will be somewhat higher and may reach 42,000 or 43,000 tons. In addition to the fact that this is an off year for olive production, weather conditions have been unfavorable, with rain damaging the blossoms in June and lack of moisture causing immature olives to fall in August.

Consumption of edible olive oil in the 12 months since November 1949 is estimated at almost 70,000 tons compared with 60,000 tons the previous year. Stocks were estimated in November at about 33,000 tons of which over 20,000 is the official reserve required by the Government to be held for consumption during 1950-51. The balance includes additional quantities held by wholesalers and by farmers for their own consumption. Available stocks plus this year's production should be sufficient to meet requirements for the 1950-51 season.

An official order of the Minister of Economy, published October 4, 1950, maintains for 1950-51 the prices of edible olive oil in force during 1947, 1948, and 1949. The wholesale price for extra grade oil (one degree acidity) is quoted at 13.10 escudos per liter ($460 per short ton) and the retail price at 13.70 escudos ($480).

On December 3, 1949, the Minister of Economy authorized the export of olive oil to the Portuguese Colonies, fixing maximum prices but with no limitations on quantity. Initial exports were under the price ceiling, but prices later increased and the ceiling was raised in August 1950, with exports at the maximum prices. Exports to foreign countries also brought good prices, reaching 1,500 escudos per case of 50 kilograms ($946 per short ton) in August.

Exports of edible olive oil for the first 9 months of 1950 totaled 3,885 tons against 2,476 in the year 1949. Of the 1950 exports Angola took 1,340 tons, Mozambique 700, and Brazil 740. Total 1950 exports may reach 5,500 tons. It is believed that about 2,000 to 3,000 tons may be authorized for shipment in 1951 to the Portuguese colonies and Brazil.

Production of sulphur oil this season is estimated at over 2,000 tons against 7,700 last season. Exports were prohibited from 1943 through 1949 because all inedible olive oil was needed in Portugal, principally for the soap industry. Estimates indicate that through November over 3,800 tons of inedible olive oil (soap stock) had been exported, almost 3,000 tons to the United States and the balance to Great Britain. A further shipment of 400 tons is expected to be made to the United States. In view of the shortage of other vegetable oils from the colonies, it is doubtful that any further export permits for inedible olive oil will be granted.

Inedible olive oil was being sold by the mills in November at 6.50 escudos per kilogram ($205 per short ton) with the soap industry paying up to 7.50 escudos ($237).

NIGERIAN PALM OIL AND PALM KERNEL EXPORTS AT 1949 LEVEL

Exports of palm oil and palm kernels from Nigeria during 1950 have been estimated by the Nigerian Department of Agriculture at 190,000 short tons of oil and 400,000 tons of kernels. Actual exports during the first seven months totaled 102,750 tons of oil and 192,498 tons of kernels, representing an increase of about 20 percent in palm oil shipments over those of the comparable period of last year and a decrease of 2 percent in the palm kernel exports. During 1949 exports of palm oil and palm kernels amounted to 189,045 and 420,935 tons, respectively.

Production of palm oil and palm kernels during 1949 has been estimated at 530,000 and 425,000 tons. There are approximately 3,800,000 acres planted to palm trees. Over half of the palm oil is consumed as food by the natives, while the remainder is exported, principally to the United Kingdom. Nearly all of the palm kernels are shipped to the United Kingdom.

HONG KONG TUNG OIL EXPORTS REACH POSTWAR HIGH FROM JANUARY TO SEPTEMBER

Chinese tung oil exports through the port of Hong Kong reached 35,719 short tons during the January-September period of 1950 and were the largest 9-month exports in postwar years. A total of 20,892 tons were shipped in the corresponding months of 1949 and 26,662 in the calendar year. Shipments of 19,083 tons to the United States were 4 times those of January-September last year. Other markets taking sizeable quantities were the United Kingdom, the Netherlands, Western Germany, and Australia in order of their importance.

CHINA 1/: Tung oil exports by country of destination, 1949 and January-September 1949 and 1950

(Short tons)

Country of destination	1949	January-March		April-June		July-Sept.		January-Sept.	
		1949	1950	1949	1950	1949	1950	1949	1950
Austria	-	-	-	-	26	-	-	-	26
Australia	1,360	346	256	415	413	419	550	1,180	1,219
Belgium	238	126	-	79	33	34	190	239	223
Borneo, North	12	3	3	2	4	4	4	9	11
Canada	31	31	-	-	49	-	6	31	55
Denmark	437	336	222	-	206	-	230	336	658
Finland	12	12	-	-	2	-	3	12	5
France	538	280	56	168	-	-	224	448	280
French Indo-China	-	-	-	-	-	-	84	-	84
Western Germany	2,925	1,325	253	1,213	793	86	520	2,624	1,566
India	160	57	-	27	-	76	50	160	50
Indonesia	182	90	-	34	12	22	14	146	26
Italy	129	-	83	11	110	-	163	11	356
Japan	-	-	773	-	-	-	22	-	795
Macao	2	-	1	-	2	-	-	-	3
Malaya, Federation of	75	16	9	19	25	30	40	65	74
Netherlands	835	278	208	49	588	291	1,560	618	2,356
New Zealand	180	39	17	35	131	84	116	158	264
Norway	1,130	151	199	380	472	291	309	822	980
Other Br. Commonwealth	-	-	4	-	31	-	-	-	35
Portugal	-	-	-	-	13	-	14	-	27
South Africa	257	98	-	90	164	19	205	207	369
Spain	41	41	-	-	-	-	22	41	22
Sweden	736	316	77	298	303	73	409	687	789
Switzerland	-	-	-	-	17	-	-	-	17
Thailand	25	9	8	4	7	4	7	17	22
United Kingdom	8,745	3,891	926	2,195	3,086	2,256	2,270	8,342	6,282
United States	8,586	569	600	827	5,608	3,341	12,875	4,737	19,083
Others	26	-	-	-	2	2	40	2	42
Total	26,662	8,014	3,695	5,846	12,097	7,032	19,927	20,892	35,719

1/ Through the Port of Hong Kong only.

Compiled from official sources.

PHILIPPINE NOVEMBER COPRA EXPORTS CONTINUE HIGH

During the month of November exports of copra and coconut oil from the Philippine Republic amounted to 92,080 long tons, copra equivalent. This represents an increase of about 8 percent over October shipments of 86,300 tons.

November copra exports of 80,047 tons were consigned to the following countries: United States-46,760 tons (Pacific 35,913, Atlantic 5,226, Gulf 5,621); Canada-1,950; Venezuela-2,500; Belgium-4,170; France-4,465; Western Germany-2,000; Italy-4,680; Netherlands-6,731; Norway-200; Japan-3,591; Trieste-500; and Israel-2,500.

Coconut oil exports, totaling 7,581 tons, were sent to: United States-6,787 tons; South Africa-499; and the Netherlands-295 tons.

January-November exports of copra and coconut oil of 707,300 tons, in terms of copra, were approximately 102,000 tons larger than shipments during the comparable period of 1949.

The copra export price in mid-December was $210 per short ton c.i.f. Pacific Coast. Local buying prices dropped somewhat during the month of November to 36-37 pesos per kilograms ($182.89-$187.97 per long ton) in Manila and 33-38 pesos ($167.65-$193.05) in producing areas.

LIVESTOCK AND ANIMAL PRODUCTS

GERMAN HOGS NUMBERS CONTINUE TO RISE

Hog numbers in Western Germany, according to the September 2, 1950 census, totaled 11.1 million head, about 23 percent above those of a year earlier, but still approximately 15 percent below the prewar average. This is the largest number of hogs recorded in the postwar period. A strong consumer demand for pork products and favorable prices for slaughter hogs have encouraged producers to expand their hog operations.

Bred sow numbers were about 33 percent above September 1949 and approximately 18 percent above the 1935-38 level, indicating a further sharp rise in numbers during the September-December period. The total number of sows and boars were 9 percent and 4 percent, respectively, above the prewar average, while all other classes were still below prewar.

WESTERN GERMANY: Hog numbers on September 2, 1950, with comparisons

Classification	1935-38 Average	1948	1949	1950
	Thousands	Thousands	Thousands	Thousands
Suckling pigs	3,225	1,365	2,207	3,101
Pigs, 8 weeks to 6 months	5,596	2,398	3,637	4,558
Boars	45	49	51	47
Sows - bred	543	397	482	644
- total	1,056	730	904	1,147
Slaughter hogs -				
6 mos. to 1 year	2,762	1,459	2,068	2,097
1 year and over	203	126	175	152
Total hogs	12,887	6,127	9,042	11,102

Compiled from official sources.

CURRENT LIVESTOCK SITUATION IN URUGUAY

Livestock slaughter in Uruguay, during the first 9 months of 1950, continued at a higher rate than that of the preceding year, despite the sharp seasonal decline in marketings during the third quarter, according to a report from the American Embassy, Montevideo.

Cattle slaughter increased about 15 percent as a result of strong consumer demand for beef and good pastures during the first half of 1950. The slaughter of sheep and lambs was about 57 percent higher than the previous year, reflecting the large number of sheep in the country and the strong demand for mutton for both export and local consumption. Hog slaughter increased about 7 percent, compared with comparable 1949.

URUGUAY: Total livestock slaughter January-September 1950, with comparison

Classification	July-September		January-September	
	1949	1950	1949	1950
	Thousands	Thousands	Thousands	Thousands
Cattle				
Oxen and bulls	1.4	--	3.1	1.5
Steers	137.8	100.8	571.5	516.7
Cows	124.6	95.3	273.5	403.2
Calves	36.8	45.3	106.1	178.1
Total	300.6	241.4	954.2	1,099.5
Sheep				
Wethers and ewes	24.5	30.5	257.4	367.8
Lambs	63.4	24.6	121.4	229.4
Total	87.9	55.1	378.8	597.2
Hogs - total	38.2	26.2	76.8	82.4

Compiled from official sources.

Exports of meat during January-September 1950 reached 205 million pounds, product weight basis, compared with 171 million pounds in the same period of 1949. During the third quarter of 1950 meat exports declined considerably as the result of the suspension of meat shipments to the United Kingdom after June 30, pending outcome of price negotiations under the Ninth Meat Contract.

URUGUAY: Exports of meat during January-September 1950, with comparison

Type	July-September		January-September	
	1949	1950	1949	1950
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Frozen beef	56.2	27.7	123.7	123.1
Frozen mutton	0.9	0.6	9.1	26.2
Canned beef	20.9	13.7	36.4	53.9
Jerked beef	0.4	0.8	1.8	2.1
Total	78.4	42.8	171.0	205.3

Trade estimates.

Current Situation

Cattle marketings on a large scale are not expected to be resumed until the first quarter of 1951. A Government decree on October 28, 1950 increased cattle prices in order to alleviate meat shortage in Montevideo. Sheep marketings should increase after the shearing season, as there has been a tendency to withhold sheep from slaughter to take advantage of the high prices for wool.

GRAINS, GRAIN PRODUCTS AND FEEDS

BURMA'S RICE EXPORTS HEAVY IN THIRD QUARTER

Burma's exports of rice and rice production from January to September totaled 2,175 million pounds compared with 2,278 million pounds during the same period of the preceding year. Although exports of 792 million pounds during the third quarter showed a moderate decline from 972 million pounds in the second quarter, they were maintained at a relatively heavy rate, and were considerably larger than first quarter shipments of 336 million pounds.

BURMA: Rice (milled) exports by country of destination, January-October 1950, with comparisons

Country of destination	Average 1936-40	1947	1948	1949	January-October 1/ 1949	January-October 1/ 1950
	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds	Million pounds
India	3,532	767	1,110	837	832	274
Ceylon	807	246	684	594	479	764
Malaya	508	298	443	326	311	74
Indonesia	156	106	132	297	206	336
Borneo	2/	10	23	2/	2/	2/
Hong Kong	2/	207	82	38	38	2/
China	117	126	136	89	89	2/
Korea	3/ 233	0	0	2/	2/	2/
Japan		0	2/	122	36	321
Pakistan	4/	2/	2/	125	125	2/
United Kingdom	128	6	76	63	41	52
Other Europe	497	0	5	2/	2/	5/ 62
Mauritius	61	0	25	2/	2/	2/
French and Portuguese India	2/	2/	2/	2/	2/	27
Other countries	465	13	9	141	121	6/ 265
Total	6,504	1,779	2,725	2,632	2,278	2,175

1/ Preliminary. 2/ Not separately reported. 3/ To Japan, Korea and Taiwan. 4/ Included in imports into India. 5/ Belgium and the Netherlands during the third quarter. 6/ Mauritius, Seychelles, and Persian Gulf ports during the third quarter.

State Agricultural Marketing Board of Burma.

Exportable supplies during 1951 from the crop now being harvested (principally in December) may approximate those of a year ago. The acreage to be harvested is estimated officially at 9,181,000 acres compared with 9,191,000 acres in 1949-50, when a good yield was produced. While the current crop suffered the usual local losses due to bad weather, the general crop conditions up to the present time are favorable.

BURMA: Rice production and trade, average 1935-36/39-40, and annual 1947-48/1950-51

Year	Acreage harvested	Yield per acre	Production		Exports 1/	Production minus exports
			Rough	In terms of milled		
	1,000 acres	Pounds	Million pounds	Million pounds	Million pounds	Million pounds
Average:						
1935-36/39-40..	12,671	1,238	15,683.3	10,978	6,536	4,442
1947-48......	9,285	1,289	11,968.3	8,378	2,725	5,653
1948-49......	9,060	1,314	11,910.1	8,337	2,632	5,705
1949-50......	9,191	1,242	2/ 11,400.0	2/ 7,980	3/ 2,600	5,380
1950-51......	9,181	1,242	2/ 11,400.0	2/ 7,980	-	-

1/ Calendar year following December harvest. Exports are mostly milled rice, but include some rough rice converted to terms of milled at 70 percent. 2/ Assuming average yields per acre only. 3/ Unofficial estimate of exportable supplies.

Compiled from official sources and Embassy reports.

TOBACCO

HIGHER SOUTH AFRICAN TOBACCO PRODUCTION FORECAST; STOCKS RISE; IMPORTS DECLINE

The Union of South Africa's 1950-51 tobacco crop is unofficially forecast at about 3 percent above 1949-50, according to Joseph H. Dougherty, Agricultural Attache, American Embassy, Pretoria. Leaf stocks, as of June 1950, were 13 percent larger than on the same date in 1949. Imports of leaf during the 1950 calendar year is tentatively estimated at about 46 percent less than 1949.

The country's 1950-51 leaf crop is unofficially forecast at about 42.8 million pounds as compared to 41.7 million pounds in 1949-50 and 45.6 million pounds in 1948-49. Flue-cured production in 1950-51 is forecast at 21.0 million pounds or 49 percent of the total harvest. The 1949-50 flue-cured crop totaled about 20.0 million pounds or 49 percent of the season's leaf harvest. In 1948-49 flue-cured production totaled 23.3 million pounds or 51 percent of the total harvest. The unofficial forecast of light and dark air-cured leaf production for 1950-51 is 10.0 million pounds and 11.0 million pounds, respectively. This compares with the 1949-50 official estimate of 9.9 million pounds of light air-cured leaf and 11.0 million pounds of dark air-cured. The 1948-49 revised production estimate is 10.9 million pounds for light air-cured and 10.7 million for dark air-cured. The Turkish leaf harvest for 1950-51 is forecast at 800,000 pounds. This compares with 775,000 in 1949-50 and 670,000 in 1948-49. The decrease in leaf production for 1949-50 is attributed to hail storms in some areas. Droughts in others and generally unfavorable growing conditions throughout the tobacco growing regions.

Stocks of leaf on June 30, 1950 were estimated at 63.5 million pounds as compared to 56.0 million pounds on the same date in 1949. At the beginning of 1950 manufacturers had about an 18 months supply of leaf on hand.

It is reported that leaf imports from the United States to the Union of South Africa during the 1950 calendar year will be about 400,000 pounds of flue-cured tobacco as compared to 742,000 pounds in 1949. Other tobacco imports will consist of the usual annual 400,000 pounds of duty free leaf from Northern Rhodesia and about 3.0 million pounds of leaf, on which duty will be paid, from Southern Rhodesia.

AUSTRIA'S TOBACCO PRODUCTION AND IMPORTS HIGHER

Austria's 1950 leaf crop is estimated at almost double the 1949 harvest according to R.A.O. Schwartz, Assistant Agricultural Attache, American Legation, Vienna. Tobacco imports during January-June 1950 were almost 75 percent higher than in the comparable period of 1949.

Estimated leaf production in 1950 is between 1.6 and 1.8 million pounds as compared to the 1949 total of 914,468 pounds and the 1948 total of 661,380 pounds. The 1950 acreage planted to tobacco totaled 986 acres or 71 percent above the 578 acres harvested in 1949 and 67 percent above the 591 acres devoted to tobacco in 1948.

Commercial imports of leaf during January-June 1950, including the leaf supplied under the European Recovery Program, totaled 9.4 million pounds as compared to 5.4 million pounds in the corresponding 1949 period. Of the total leaf imports in the first 6 months of 1950 about 3.1 million pounds were supplied through the ERP, of which the United States furnished 2.9 million pounds and Central America 0.2 million pounds. Countries supplying Austria with leaf other than through ERP during the first half of 1950 were as follows: Turkey 2.4 million pounds, Greece 1.1 million, Yugoslavia 881,000 pounds, Brazil 794,500 pounds, Hungary 661,600 pounds, Dominican Republic 378,300 pounds, the Netherlands 165,600 pounds, and Indonesia 2,900 pounds.

CANARY ISLANDS TOBACCO ACREAGE AND PRODUCTION UP; LEAF AND MANUFACTURED TOBACCO IMPORTS LOWER

The Canary Islands 1950 leaf crop is estimated at 17 percent above 1949 and 7 percent above 1948, according to Robert S. Henderson, Vice Consul, American Consulate, Tenerife. Leaf imports during January-June 1950 were 88 percent below the same period in 1949 and cigarette imports were 69 percent lower in the first half of 1950 than in the corresponding period of 1949.

Tobacco production in 1950 is estimated at 1,348,400 pounds from 1,696 acres as compared to 1,151,000 pounds from 1,263 acres in 1949 and 1,253,000 pounds from 1,233 acres in 1948. The Province of Tenerife planted 1,384 acres to tobacco in 1950. Of this acreage, 895 was irrigated and 489 acres were dependent upon rainfall. Los Palmas de Gran Canaria Province planted 312 acres to tobacco, all of which was dependent on rainfall. According to the Agricultural Offices of the two Provinces yield per acre in Tenerife, on irrigated land was 982 pounds and 535 on unirrigated. Tenerife produced a total of 1,140,120 pounds in 1950. Yield per acre in Los Palmas de Gran Canaria was 669 pounds and total production was 208,286 pounds.

Leaf imports during January-June 1950 totaled 229,149 pounds as compared to 1,880,660 in the same 1949 period and 2,239,000 pounds in the calendar year 1949. Of the total leaf imports in the first 6 months of 1950 the United States supplied 119,339 pounds, Spain 71,341 pounds, Southern Rhodesia 22,304 pounds, Cuba, 9,559, and Indonesia 6,597 pounds. Cigarette imports in the same period were only 26,588 pounds as compared to 84,977 pounds in the first half of 1949 and 140,000 pounds in the 1949 calendar year. In the January-June 1950 period the United States supplied 24,588 pounds of cigarettes, the United Kingdom 1,459 pounds and Cuba 541 pounds. The tremendous decrease in tobacco imports is reportedly attributable to the critical shortage of dollar exchange.

COTTON AND OTHER FIBER

FIBER FLAX SITUATION IN SPECIFIED COUNTRIES

Recent world developments have increased interest in the production of fiber flax. Current production in countries for which reasonably accurate estimates are available is less than in the prewar period, and production in 1950 seems to be considerably less than in 1949. The decline in 1950 appears to be partially a result of poor yields after an unfavorably wet season in European countries, and partially a result of reduced acreages because of unsatisfactory prices and marketing conditions during the planting season.

Before World War II, the greatest production of fiber flax was in the Soviet Union, with large acreages also in Poland, Lithuania, and Latvia. These countries are not included in the accompanying table because of lack of information. Other producing countries not included for the same reason are Estonia, Czechoslovakia, Finland, Rumania, Hungary, Yugoslavia, and Bulgaria.

Canada: The 1950 crop of fiber flax and tow in Canada totalled less than 25 percent of the quantity reported in 1948, and was the lowest in many years. The low average yield was the result of poor growing conditions. Consumption in 1949 was less than 400,000 pounds. Imports consisted of 140,000 pounds, mostly from Belgium. Exports totaled 2.8

FIBER FLAX: Area and production in specified countries, average 1935-39 and years 1949 and 1950

Country	Year of harvest					
	Average 1935-39		1949 a/		1950 b/	
	1,000 acres	1,000 pounds	1,000 acres	1,000 pounds	1,000 acres	1,000 pounds
Western Hemisphere						
Canada	8	1,751	8	2,006	5	900
United States	c/ 3	d/ 8,800	2	d/ 8,200	1	d/ 3,250
Peru	c/e/	---	4	2,094	2	---
Chile	---	---	3	1,109	3	864
Western Europe and Mediterranean						
United Kingdom	29	6,155	47	22,456	39	17,700
Ireland (Eire)	4	1,929	15	5,107	10	3,360
Sweden	---	---	11	6,781	12	6,944
Denmark	---	---	11	4,000	7	1,100
Netherlands	f/ 42	33,466	f/ 48	g/ 272,600	f/ 44	g/ 214,200
Belgium	f/ 75	63,184	f/ 64	g/ 347,600	f/ 58	g/ 314,200
Germany (Western)	c/f/h/ 105	c/h/ 47,046	f/ 32	g/ 90,600	f/ 20	g/ 58,000
Austria	c/ 6	c/ 1,543	5	d/ 15,500	4	d/ 16,200
France	f/ 92	47,266	93	56,417	99	65,061
Spain	---	---	11	4,189	---	---
Italy	15	7,388	f/ 51	1,400	f/ 50	---
Cyprus	f/ 2	176	f/ 2	66	f/ 2	60
Egypt	f/ 7	5,335	22	d/ 83,200	4	d/ 13,900
Turkey	---	---	f/ 213	4,409	f/ 126	6,614
Others						
British East Africa	---	---	i/ 3	358	---	---
Madagascar	---	---	e/	23	---	---
Japan	c/f/ 45	c/ 12,125	50	5,642	---	---
Australia	---	---	9	d/ 27,200	7	d/ 21,300
New Zealand	---	---	5	d/ 20,500	3	d/ 15,700

a/ Preliminary.
b/ Partially estimated.
c/ Average of less than 5 years.
d/ Expressed in terms of unthreshed straw.
e/ Less than 500 acres.
f/ Includes area for seed.
g/ Expressed in terms of rippled, dry straw.
h/ Total prewar Germany.
i/ Includes nearly 1,000 acres of *Phormium tenax*.

Office of Foreign Agricultural Relations. Compiled from reports of Foreign Service Officers and records of the Bureau of Agricultural Economics.

million pounds, most of which was tow shipped to the United States. Stocks, which were relatively high at about 800,000 pounds early in 1949, had been reduced to an insignificant quantity by the end of the crop year in 1950. Prices declined in 1949 to 30 cents (Canadian) per pound for Grade I fiber from 37 cents in 1948.

United States:-Acreages of fiber flax in the United States have been declining since the peak in 1942. Imports in 1949 totalled 5.7 million pounds, which consisted principally of unhackled flax from Belgium and tow from Canada.

Peru:- Flax fiber harvested in Peru in 1950 has not been reported, but the acreage is believed to be approximately 10 percent less than in the preceding year. Present consumption of about 200 to 250 thousand pounds of fiber has resulted in an unshipped surplus of linen goods. Stocks of fiber are small. Exports of flax fiber in 1949 were 756,000 pounds. Production in 1951 is expected to be no greater than in 1950. Encouragement is being given to hemp and kenaf for bagging rather than to textile fibers.

Chile:- Acreage of fiber flax in Chile in 1950 showed a slight increase over 1949, but the total crop was smaller with an average yield per acre of about 260 pounds compared with 345 in 1949. All exportable surpluses were sold by the time the new crop was available. Prices are too low to be attractive to growers for export and no increase in production is expected for 1951. Flax is produced under contract with the local industry which obtains it requirements before any supplies are available for export.

United Kingdom:- Flax in Northern Ireland is retted by the individual farmers and is usually scutched in mills for the farmer's account. Prices are controlled and are paid to farmers on a scutched fiber basis. Much of it is used, along with foreign fiber (mostly from Belgium), in the manufacture of fine linens. About 30,000 acres were devoted to flax in Northern Ireland in 1949 and 22,300 acres in 1950. English flax is principally of coarser grades, and most of it is processed in Dundee, Scotland, and used in heavy end production, such as canvas. It is grown under contract with fixed prices, and is retted and scutched in factories. Current consumption of flax fiber in the United Kingdom is less than prewar but at about the 1949 level. Mills are busy, but they are increasing their use of rayon on flax machinery. Consumption of flax is expected to continue high as a result of larger export demands and of domestic civilian and military requirements.

Because of favorable prices and increasing demand, the goal for acreage to be planted to flax in England, Scotland, and Wales in 1951 is 30,000 acres, or nearly double the 1950 acreage. During the war, however, average yield of fiber per acre decreased when acreage was increased. This would indicate that total production in 1951 will not increase in the same proportion as acreage, if the goal is reached.

Ireland:- Fiber flax was grown in Ireland during the past 2 years by arrangement between growers in Ireland and the Northern Ireland Flax Spinners' Association. Prices to be paid by scutchers and by spinners' associations were set at the beginning of each season. The quality of fiber from the past crop was lowered by adverse weather conditions. Prospects of acreage remaining as at present would not be good except for the investment which has been made in scutching mills since the war.

Sweden:- Flax production in 1950 was almost as great as in the peak year of 1945, and is in line with the gradual increase in Sweden since the war years. Consumption of fiber and tow in 1949 was 6.4 million pounds. Imports were 2.7 million pounds of unscutched fiber (roughly 500 to 600 thousand pounds of scutched fiber and tow). Fixed prices paid to producers for flax straw are tied to the price of rye, and government aid is extended to scutching plants. Acreage in 1951 probably will remain unchanged if government support is extended to the next crop.

Denmark:- The 1950 output of flax fiber in Denmark was the smallest in many years. Acreage was low, and heavy rain further cut crop quantity and quality. The cooperative organization which controls the flax industry in Denmark planned for 2.2 million pounds, but the crop was considerably short of the goal. Imports of fiber will be required to keep the linen mills in operation. The quality of the 1950 crop is expected to be well below average. A total of about 6,200 acres is planned for 1951, with the expectation that an average yield will produce about 2.2 million pounds of fiber, or enough for spinning of approximately 1.7 million pounds of yarn. Research and experimentation are continuing in an effort to develop a strain of fiber flax more resistant to variation in rainfall.

The Netherlands:- Unfavorable prices for flax in the fall of 1949 are believed to be a large factor in the decreased acreage in the Netherlands in 1950, and continued wet weather hurt the average yield of fiber. Total production of rippled straw from the past crop, however, was 57 percent greater than the annual average of 136.2 million pounds produced in 1931-39. A considerable increase in acreage is expected in 1951, as a result of present favorable demand and prices. All raw and semi-processed fiber flax products were placed under monopoly control of the Netherlands Ministry of Agriculture, effective November 15, 1950, for the purpose of protecting the domestic users against strong foreign demand.

Belgium:- The 1950 flax crop in Belgium was not only smaller than that of the preceding year, but because of storms the quality and average yield of fiber from the straw were not as good as normal. It compared well, however, with 1950 flax from the Netherlands and France, and it sold readily to retters and spinners. Exports of scutched flax and tow through January-August, 1950, were holding steady with the preceding year at an average of 6.3 million pounds per month. Exports of straw are negligible.

Imports averaged about 23 million pounds of flax straw per month, compared with nearly 17 million pounds in 1949. Imports of scutched flax and tow are relatively small at about 1.5 million pounds per month.

Germany:- Flax production has fared poorly in Western Germany in recent years. As soon as the fiber shortage was somewhat relieved, farmers turned to crops which promised better income for the labor involved. No flax is exported. Imports are obtained principally from Belgium. Subsidies were paid at the time the straw was delivered in 1949 rather than at the end of the season as previously.

Austria:- Area for fiber flax in Austria decreased in 1950 in spite of plans for a considerable increase. Contributing factors were dissatisfaction with producer prices, the shortage and increasing cost of farm labor, and lack of retting and scutching facilities in some areas. The average yield per acre in 1950 is exceptionally good. Fiber output has decreased considerably from the annual average of 10 million pounds during 1926-35, and is less than a third of the 1948 crop.

France:- Contrary to the trend in most other countries flax acreage is increasing in France. If market conditions and the government subsidies continue favorable, an area exceeding 100,000 acres with production of 70 million pounds or more of fiber may be expected in 1951. Mill consumption of flax fiber in the first half of 1950 was 10 percent greater than in the first half of 1949. Yarn production in 1951 is expected to increase to such an extent that between 90 and 95 million pounds of fiber and tow will be required. French processing capacity is only 57.3 million pounds, leaving the balance of the requirement to be met by imports of processed flax principally from Belgium. Quality of the 1950 crop was average in spite of storm damage before the harvest. It is customary to export large quantities of flax straw to Belgium for processing, and to import the scutched fiber for domestic use along with domestically processed fiber. Some French-processed fiber is exported also, and finer qualities of fiber are imported for use by French manufacturers.

Spain:- It is believed that the flax yield in Spain in 1950 is somewhat better than the poor yield of 1949. Imports of flax and hemp into Spain in 1949 were equal to only a fraction of a percent of the 5.6 million pounds imported in 1947. Lack of foreign exchange for such importation is believed to be the leading factor which caused the great decrease.

Italy:- Relatively high labor costs in Italy are unfavorable for the flax industry in competition with flax from other European countries.

Cyprus:- Flax consumption in Cyprus is approximately equal to production. No fiber was exported in 1948 or 1949 and no imports were reported. Production in 1949 was approximately equal to 36 percent of the average for 1935-39.

Egypt:- The exceptionally small output of flax in Egypt in 1950 resulted from an unusually small acreage and also from weather and insect damage. Unfavorable prices and weak foreign demand for fiber contributed to the reduced acreage. It is believed, however, that because of generally reduced crops and the consequent demand in Europe in 1950, possibly 12,500 acres will be planted for the 1951 crop. The straw produced from the past crop yielded 1.4 million pounds of line fiber and 463,000 pounds of tow. It is estimated that approximately 80 percent of the fiber and 90 percent of the tow from the 1949 crop were exported to England, France, Yugoslavia, Greece, Belgium, Ireland, and others. Stocks have been reduced since the previous large crop to only about one million pounds of fiber and tow.

Turkey:- Flax is produced in Turkey principally for seed. Production of fiber is small, and imports of raw fiber are practically nil.

British East Africa:- There is no commercial production of fiber flax in Tanganyika. Interest has waned so much in Kenya that the Government Flax Board was discontinued at the end of 1949, when less than 200,000 pounds of fiber and tow were produced. Production has been decreasing in Uganda, also, since the war, and amounted to less than 100,000 pounds in 1949. No spring crop was planted for 1950 because of disease outbreak, but the late, or larger, crop was reported to be developing satisfactorily for harvest in January-February.

Australia:- All except one of the 13 flax mills operating in Australia are under Government control. Fixed prices with bonuses and penalties are guaranteed to growers of acceptable qualities of straw. Domestic production is barely sufficient for Australian requirements and usually small amounts of fiber or yarn are imported each year. The downward trend in production since the war has been accelerated by dry conditions in Victoria and South Australia where the crop from about 2,000 acres was rejected by processors in 1949.

New Zealand:- The average yield per acre for the flax ceop harvested in 1950 is the heaviest on record for New Zealand, but processing of the straw has not been completed. Much smaller acreages are anticipated for the 1951 crop.---By Cecille M. Protzman.

COTTON CONSUMPTION IN GERMANY INCREASING

Cotton consumption in the mills of Western Germany reached a new postwar high in the first 3 months of the current season (August through October 1950), when 257,000 bales (480 pounds net) of cotton were used. This is 32 percent above the same period of the previous season and equal to an annual rate of 1 million bales. In the 1949-50 season, consumption was reported at 860,000 bales.

It is believed cotton mills are working near their maximum under present conditions. In September 1950 West German spinning mills had 5,815,000 spindles ready for operation and 5,650,000 spindles working. In 1938 all Germany had about 10 million spindles, of which 8 million were in Western Germany and about 2 million were in Eastern Germany. However, spindles are now more fully employed than in the prewar period and Western

Germany has been able to raise consumption above the prewar level. In the 1934-38 period consumption of cotton in all Germany was running at about 1 million bales annually, or about the same level as now exists in Western Germany.

Though the spinning industry has been operating from 1-1/4 to 1-1/2 shifts per day, yarn production has been insufficient to meet the requirements of the weaving mills. This has made it necessary to import yarn to support production in weaving mills. The difficulty of securing imports of cotton yarns as well as of raw cotton, due to a shortage of foreign exchange, and the urgent need for yarns have caused the cotton industry to return to the use of rayon staple fiber that requires relatively small imports of raw materials. The cotton industry is now covering 30 to 35 percent of its total fiber requirements with staple fiber or the equivalent of about 475,000 bales of cotton. It is considered probable that insufficient supplies of raw cotton during the current season may accelerate this trend toward the use of staple fiber in the cotton mills.

The major types of synthetic fiber produced in Germany are: Zellwolle "B"--cotton type staple fiber; Zellwolle "S"--wool type staple fiber; and Kunlseide filament yarn. The synthetic fiber industry in Western Germany is currently running at full capacity producing at an annual rate of about 360 million pounds per year of which 250 million pounds are cut staple and 110 million pounds are filament yarn. Present production now exceeds the prewar level for Western Germany and is nearing the prewar level for all Germany.

In the prewar period staple fiber production in all Germany increased very rapidly from 9 million pounds in 1933 to 330 million pounds in 1938 and by 1942 had reached a peak of 689 million pounds.--By Glenn A. Ruggles.

LATE NEWS

(Continued from Page 648)

Acreage planted to cotton in Uganda (British East Africa) has been reported at 1,519,167 acres or slightly less than the 1,628,518 acres planted last season. However, due to favorable weather the crop has made good progress and is expected to equal last year's level of 275,000 bales. Harvest of the early crop has started and should be complete by the end of February, 1951.

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Particularly favorable weather has been reported from Nigeria (British West Africa) and a record crop is expected. Last year's crop was estimated at 60,000 bales. Harvest in Nigeria starts in December.

U. S. Department of Agriculture
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